

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Triennial Cost Allocation Proceeding Phase 1 Application of Southern California Gas Company (U 904 G) and San Diego Gas & Electric Company (U902G) for Authority to Revise their Natural Gas Rates Effective January 1, 2016.

Application 14-12-017
(Filed December 18, 2014)

ORDER EXTENDING STATUTORY DEADLINE**Summary**

This decision extends the statutory deadline in this proceeding to November 17, 2016.

Background

Public Utilities (Pub. Util.) Code § 1701.5 provides that ratesetting cases must be resolved within 18 months of the date the scoping memo is issued, unless the Commission makes a written determination that the deadline cannot be met, including findings as to the reason, and issues an order extending the deadline. In this proceeding, the 18-month deadline for resolving this proceeding is September 18, 2016.

On December 18, 2014, Southern California Gas Company (SoCalGas) and San Diego Gas & Electric Company (SDG&E) filed Application (A.) 14-12-017, its *Triennial Cost Allocation Proceeding Phase 1 Application of Southern California Gas*

Company (U 904 G) and San Diego Gas & Electric Company (U 902 G) for Authority to Revise their Natural Gas Rates Effective January 1, 2016. (Application).

On January 15, 2015, Resolution ALJ-176-3349 preliminarily determined that this proceeding was ratesetting and that hearings would be necessary. On March 18, 2015, the Assigned Commissioner's Scoping Memo and Ruling indicated that this matter would be resolved within 18 months from issuance of the Scoping Memo and Ruling. The 18-month deadline is September 18, 2016. Evidentiary hearings were held on August 3 through August 5, 2015.

Following the close of evidentiary hearings in Phase 1, SoCalGas, SDG&E, the Office of Ratepayer Advocates, The Utility Reform Network, the Indicated Shippers, the City of Long Beach, and Southwest Gas Corporation filed a joint motion "For Adoption of Settlement Agreement for Certain Phase 1 Issues."

SoCalGas owns and operates the Aliso Canyon gas storage field. On or about October 23, 2015, a massive leak at one gas well resulted in a cessation of storage injections at the Aliso Canyon gas storage field (Aliso Canyon). Although the gas leak was permanently sealed on February 18, 2016, the future status of Aliso Canyon is presently unknown.

The proposed decision in this matter was originally scheduled to be mailed in December 2015. However, due to the leak at Aliso Canyon, the proposed decision was not mailed until May 17, 2016. In Ordering Paragraph (OP) Number (No.) 38 we stated that "Application 14-12-017 should remain open to further evaluate the impacts that the Aliso Canyon gas leak may have upon this proceeding."

Since the Commission wishes to further evaluate the impacts that the Aliso Canyon gas leak may have upon A.14-12-017, it is unlikely that this ratesetting proceeding will be concluded prior to the 18-month deadline of September 18,

2016. Therefore, a 60-day extension of the statutory deadline until November 17, 2016, is necessary.

1. Waiver of Comment Period

Under Rule 14.6(c)(4) of the Commission's Rules of Practice and Procedure, the Commission may reduce or waive the period for public review and comment of proposed decisions extending the deadline for resolving ratesetting matters. Accordingly, the otherwise applicable period for public review and comment on an extension order issued pursuant to Pub. Util. Code § 1701.5(a) is being waived.

2. Assignment of Proceeding

Michael Picker is the assigned Commissioner and Gerald F. Kelly is the assigned Administrative Law Judge in this proceeding.

Findings of Fact

1. The statutory deadline for resolving this adjudication proceeding is September 18, 2016.
2. SoCalGas owns and operates the Aliso Canyon gas storage field.
3. On or about October 23, 2015, a massive leak at one gas well resulted in a cessation of storage injections at the Aliso Canyon gas storage field.
4. Although the gas leak was permanently sealed on February 18, 2016, the future status of Aliso Canyon is presently unknown.
5. A two-month extension of the statutory deadline is necessary to provide additional time for the Commission to evaluate the potential impacts that the Aliso Canyon gas leak may have upon A.14-12-017.

Conclusion of Law

1. Pursuant to the Commission's authority under Pub. Util. Code § 1701.5 the statutory deadline should be extended for a period of 60 days beyond September 18, 2016.

Therefore, **IT IS ORDERED** that the statutory deadline in this proceeding is extended until November 17, 2016.

This order is effective today.

Dated _____, at San Francisco, California.